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**PENSION PLAN CREDITABLE SERVICE****Chapter 7 Contents:**

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The calculation of retirement benefits under the FRS Pension Plan is based in part on the total years of creditable service for which an employee has earned or purchased credit. Service credit is earned for each month that a salary payment is received for work performed in a regularly established position with an FRS employer. Service credit may also be purchased for other types of service. This chapter discusses how service credit is earned and describes and explains the process for purchasing other types of service.

The Division of Retirement also maintains service credit records for participants of the FRS Investment Plan. However, these records are used only for determining Investment Plan participants' vesting status and eligibility for the Retiree Health Insurance Subsidy and disability benefits.

## **I. EARNED CREDITABLE SERVICE**

An employee earns a full month of retirement service credit for each month in which a salary payment is received for work performed in a regularly established position during the plan year, according to the following schedule:

| <b>Service Dates</b>       | <b>Minimum Monthly Salary<br/>Required for Full Credit</b> |
|----------------------------|--|
| Before July 1, 1974        | Any amount   |
| July 1, 1974- June 30,1979 | \$100.00   |
| July 1, 1979- June 30,1985 | \$250.00   |
| Effective July 1, 1985     | Any amount   |

For months in which the employee earns less than the minimum salary, the percentage of creditable service is computed by dividing the actual salary earned by the minimum and then dividing the result by the number of months in the work year.

### **Work Year**

All retirement records are kept by plan year. The FRS plan year is the same as the state fiscal year (July 1 - June 30). Creditable service is measured in terms of work years and fractions of work years. A work year of service credit is usually 12 months of a plan year, except that some employees of school boards, charter schools, community colleges, state universities, and certain non-school board employees whose total employment is to provide services to a school board for the school year only (e.g., school crossing guards), have a work year consisting of less than 12 months. The shortest approved work year is nine months. (See Chapter 3, Part VII, for additional information on work periods.)

When an employee works the required number of months in the work year, a full year of service credit is received. No more than one year of service credit can be earned in a plan year. If an employee works less than the required work year, credit is received for a partial year. That part or fraction of a year is determined by dividing the number of months worked by the number of months required to be worked.

### **STATUTORY REFERENCE:**

Sections 121.021(17), (40), and (54), and 216.011(1)(o), Florida Statutes

### **FRS RULE REFERENCE:**

Sections 60S-2.002(4) and 6.001(28), (45), and (65), Florida Administrative Code

## II. FORM FR-9, INFORMATION REQUEST

### Form FR-9 – Uses and Process

Members use this form to request an audit of their retirement account for the purpose of obtaining:

- An estimate of retirement benefits receivable under the FRS Pension Plan.
- An estimate of benefits receivable under the Deferred Retirement Option Program (DROP).
- Total years of creditable service.
- The amount due to purchase additional retirement service credit (e.g., credit for leave of absence, in-state or out-of-state service, military service, refunded service, etc.) under the FRS Pension Plan.

Copies of the [Form FR-9](#) should be available from your personnel office (an online version of [Form FR-9](#) may also be completed and submitted electronically via the division's website at: [frs.myflorida.com](http://frs.myflorida.com) or from the cooperative website of the division and the State Board of Administration at: [MyFRS.com](http://MyFRS.com). While audit requests are generally processed in the order they are received, the division gives priority to requests submitted in connection with retirement applications. Completed forms should be sent to the Division of Retirement at the address shown on

Page 7-40. You may call the division toll-free at 877-377-1266 or 850-907-6540, or email [enrollment@dms.fl.gov](mailto:enrollment@dms.fl.gov).)

### Information Required for Benefit Estimates

To obtain an estimate of retirement benefits, the member should provide the following information on [Form FR-9](#):

- The projected date of termination (month, day, and year).
- Number of months in the work year.
- The current annual rate of pay.
- The spouse's or financial dependent's name, relationship, and date of birth if an estimate of the Option 3 and 4 benefit is desired (otherwise, the division will only provide an estimate of the Option 1 and 2 benefit).

**NOTE:** If a member requests an estimate of retirement benefits for early retirement, but the member would be too young to retire due to the early retirement reduction of 5 percent per year (i.e., the benefit would be reduced by 100 percent or more), the division will provide an estimate of deferred benefits at normal retirement age and send the member an explanation of deferred retirement.

### Additional Information Needed for DROP Estimates

For an estimate of DROP benefits, the member should also include the anticipated dates of DROP participation. If the member is employed by an educational agency as instructional personnel, this should be indicated on the form. (The employer must certify that the position meets the definition of instructional personnel under section 1012.01(2), Florida Statutes, when the employee enters DROP.)

### **Estimates and Information Available to Members From FRS Online**

Members may calculate their own benefit estimates by using the FRS Online feature of the division's website ([frs.fl.gov](http://frs.fl.gov))<sup>1</sup>. These secure web pages require members to use a secure username and password for access. If members need assistance logging into their FRS Online account, call the Division of Retirement toll-free at 877-377-1266 or 850-907-6540.

From FRS Online, members of the FRS Pension Plan can access information specific to their personal retirement account, such as their service history and service credit information, salary data, and beneficiary information. Members can also calculate benefit estimates based on various proposed retirement ages and dates and can also project potential lump sum benefits available under the Deferred Retirement Option Program (DROP)<sup>2</sup>.

Participants in DROP will see information specific to their individual DROP accounts, such as their DROP retirement date and initial benefit, as well as the DROP accrual projected through the DROP termination date.

### **Obtaining Creditable Years of Service**

To receive an accurate audit of creditable years of service, keep the following in mind when completing [Form FR-9](#):

- Dates of previous employment and any breaks in service should be listed to assist the division in locating all creditable service the member may have. The employee number for county/state service prior to 1963, or the teacher number for service before 1970, is helpful in locating previous service. Listing the employee's previous names, if applicable, will also assist in locating creditable service.
- The division has no record of any employee's employment history with any county agency before 1947 or any state agency before 1945. This service should be certified on [Form DPR-100](#), Certification of Salaries.
- Known discrepancies in Social Security numbers should be noted.

### **Other Methods of Obtaining Account Information**

The Form FR-9 is provided to help members provide all the information that may be needed for a member to request information on their retirement account, but the division also accepts requests for information in other forms including telephone, email, FAX, and other written requests.

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<sup>1</sup> To reach the FRS Online area of the division's website, the member should select "FRS Online" from the right side menu on the division's main website page.

<sup>2</sup> To perform a DROP estimate, the member must create an estimate and navigate past the results to the DROP link. Upon selection of this link, the member will access a page with information on DROP where the member may fill in the number of months of desired DROP participate and select "Submit."

**Paying for Additional Service Credit (Amount Due)**

To obtain credit for any additional creditable service, or to upgrade the value of existing service credit, the member or employer may be required to pay additional retirement contributions. The cost for additional retirement credit depends on the type of service the member is purchasing. The member may pay the amount due at any time before retirement. Annual partial payments (of at least \$100.00) may be made. (Interest is compounded annually and charged once a year on the balance remaining as of June 30. The interest rate is generally 4 percent per year from the date of service through June 30, 1975, and 6.5 percent thereafter.)

Since January 1, 2002, federal law has allowed the division to accept rollovers from eligible retirement plans (as described in section 401(a)(31), Internal Revenue Code) for the purpose of purchasing and upgrading retirement service credit. It may be to the employee's benefit to request a trustee-to-trustee rollover of pre-tax money from an eligible plan (e.g. an IRA, section 403(b), or a section 457 plan sponsored by the employer) in lieu of using money from personal savings. Effective July 1, 2010, excess account balances in the Investment Plan after members transfer to the Pension Plan may be rolled over to the Pension Plan to purchase or upgrade service credit. Such a rollover maintains pre-tax status on those funds (they will not be taxed until the employee retires and begins receiving benefits). Taxes due and withheld at that time are based on an Internal Revenue Service formula that spreads the pretax portion payable in each benefit over the retired member's lifetime. Forms for this purpose are available upon request. Eligible retirement plans are listed in Chapter 9, Part XIV, in the description of DROP account distribution options.

Individual member payments for the purchase of creditable service must be received at the division on or before close of business on June 30 to avoid an additional year's interest being added to the unpaid balance.

Procedures and forms required to buy additional service credit are outlined on the following pages. Upon receipt of a request, the division will calculate the months of service credit that the member is eligible to purchase and any retirement contributions and interest that would be due to purchase such credit.

**Actuarial Accrued Liability (AAL) Calculations (Forensic Employees)**

Special Risk Class members employed in forensic positions on or after July 1, 2008, may upgrade their previous service covered by another membership class that meets the forensic criteria requirements effective July 1, 2008.

For any amount due which has been calculated based on the actuarial accrued liability (AAL) for an affected period of service, the member shall have 60 days from the date of the notice to pay the amount due in full. The AAL calculation is an individual cost per member depending upon the factors for the member at the time of the calculation. It will be calculated using the discount rate and other relevant actuarial assumptions that were used to value the Florida Retirement System Pension Plan assets and liabilities in the most recent actuarial valuation. The FRS actuary must calculate the AAL cost for each request.

### III. OTHER TYPES OF CREDITABLE SERVICE

A member may be eligible to acquire additional service credit under the FRS Pension Plan as described below for their prior service, past service, military service, leaves of absence, specified in-state or out-of-state service, certain seasonal state employment, and other types of service. To receive credit for this service, the member or the employer may be required to pay additional retirement contributions.

The division will also accept a direct rollover from an eligible retirement plan as described in section 401(a)(31), Internal Revenue Code, as payment for purchase of creditable service (see Page 7-5 for more information on rollovers). The cost for additional retirement credit varies, depending on the type of service credit the member is purchasing. The member may pay the amount due at any time before retirement. Annual partial payments may be made (of at least \$100). Interest is compounded annually and charged once a year on the balance remaining as of June 30. The interest rate is generally 4 percent per year from the date of service through June 30, 1975, and 6.5 percent thereafter. There are exceptions to this general practice. Where exceptions exist, alternate interest requirements are described.

Payments must be received at the division on or before close of business on June 30 to prevent an additional year's interest being added to the unpaid balance.

#### A. PAST SERVICE

Past service is employment with a city or special district before the city or special district joined the FRS or employment in certain special programs. The cost for past service credit depends on the specific circumstances of employment, as follows:

##### **For Member Employed with City or Special District when Agency Joined the FRS**

If an employee was actively employed with a city or special district on the date the governmental entity joined the FRS, and the employee became a member of the FRS at that time (if the option was given), then retirement credit may be purchased for all past creditable employment<sup>3</sup> with that employer.

- **Cost:** Credit for this type of past service may be purchased by the employee or by the employer if allowed by law. For service before January 1, 1975, the cost is 8 percent of the salaries earned during the period claimed, plus interest. For service after that date, the cost is the contribution rate in effect at the time the service was performed, multiplied by salaries earned, plus interest.
- **Form:** [Form FR-9](#), Information Request, specifying the dates of this service, must be completed and submitted to the division.
- **Criteria:**
  - The member must have been filling a regularly established position during the period of service for which the member purchases past service credit; and
  - Past service credit may not be claimed for any leaves of absence without pay, except for active military service leaves of absence purchased in accordance with Rule 60S-2.005(1), Florida Administrative Code.

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<sup>3</sup> If the member does not desire to purchase credit for all the past service, the period for which credit is obtained must be the member's most recent past service prior to participation in the Florida Retirement System.

## Other Members

### For Member Employed by Agency Never in FRS

If the member has service with an agency that cannot be claimed because the city or special district never joined the FRS, then retirement credit may be purchased for past creditable employment with that employer, as follows:

- **Cost:** Past service credit may be purchased by paying the total actuarial cost of the past service credit (see Page 7-24 for the definition of total actuarial cost).
- **Forms:** Complete and submit [Form FR-9](#), Information Request, including the dates of this service. [Form DPR-100](#), Certification of Salaries, must also be completed, verifying the monthly service and salaries earned.

### For Member Not Employed by Agency when Agency Joined FRS

If the member was not an employee of the city or special district at the time it began participating in the FRS, then retirement credit may be purchased for past creditable employment with that employer, as follows:

- **Cost:** Past service credit may be purchased by paying the total actuarial cost of the retirement credit (see Page 7-24 for the definition of total actuarial cost).
- **Forms:** Complete and submit [Form FR-9](#), Information Request, including the dates of this service. [Form DPR-100](#), Certification of Salaries, must also be completed, verifying the monthly service and salaries earned.

### For Member who Rejected Membership in FRS

If the member rejected FRS membership when the city or special district began participating in the FRS, then retirement credit may be purchased for past creditable employment with that employer, as follows:

- **Cost:** Past service credit may be purchased by paying the total actuarial cost of the retirement credit (see Page 7-24 for the definition of total actuarial cost).
- **Forms:** Complete and submit [Form FR-9](#), Information Request, including the dates of this service. [Form DPR-100](#), Certification of Salaries, must also be completed, verifying the monthly service and salaries earned.

## Criteria

For the three types of past service credit purchases described above, certain additional conditions apply:

- The member must have been filling a regularly established position during the period of service for which the member purchases past service credit;
- The member may not receive past service credit for any leaves of absence without pay; and
- The member may not purchase credit for the past service until the member's retirement date has been established.



### Membership Resulting From Transfer, Merger, or Consolidation of Functions

If an employee became a member of the FRS due to transfer, consolidation or merger of governmental units or functions at any level of government, or due to assumption of functions or activities by an FRS employer, the employee may purchase retirement credit for all past service<sup>4</sup> involving the function or activity that is consolidated, merged, transferred or assumed by an employer under the system (credit, valued at 2 percent per year, may also be purchased for past service that satisfies the special risk criteria), as follows:

- **Cost:** Except for special risk service, the cost to purchase this type of service credit is 8 percent of the salary received during the period being claimed, plus interest for service before January 1, 1975. For service after that date, the cost is the contribution rate in effect at the time the service was performed, multiplied by salaries earned, plus interest. (The cost to purchase special risk service credit is the special risk contribution rate in effect at the time the member's account is audited to determine the cost, multiplied by salaries earned, plus interest.)
- **Forms:** [Form FR-9](#), Information Request, including the dates of this service, must be completed and submitted to the division.
- **Criteria:**
  - The member must have been filling a regularly established position during the period of service for which the member purchases past service credit; and
  - The member may not purchase past service credit for any leaves of absence without pay, except for active military service leaves of absence claimed under subsection 60S-2.005(1), Florida Administrative Code.

### Employment with Cuban Refugee Assistance Program

If the member was employed before January 1, 1968, in the Cuban Refugee Assistance Program administered by the Florida State Department of Public Welfare or the Florida State Board of Health, and credit has not been and will not be granted under any other state or federal retirement system for such service, past service may be purchased as follows:

- **Cost:** The cost to purchase this service credit is 8 percent of the salary received during the period being claimed, plus interest.
- **Forms:** [Form FR-9](#), Information Request, including the dates of this service, must be completed and submitted to the division.
- **Criteria:**
  - Credit for such service may not have been granted under any other state or federal retirement or pension system; and
  - The past service must be verified by the employer and approved by the State Retirement Administrator.

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<sup>4</sup> If the member does not desire to receive credit for all past service, the period the member claims must be the most recent past service prior to participation in the Florida Retirement System.



**Employment with a Multiple Offender Project**

If the member was employed in a Multiple Offender Project funded by a federal government grant to a local government not covered by the FRS, the member may purchase credit for such Multiple Offender Project service, as follows:

- **Cost:** The cost for the service credit is the contribution rate in effect at the time the service was performed, multiplied by salaries earned, plus interest. The State Attorney's Office may, but is not required to, pay the amount due for this service credit.
- **Forms:** [Form FR-9](#), Information Request, including the dates of this service, must be completed and submitted to the division.
- **Criteria:**
  - Credit for such service may not be granted under any other state or local retirement or pension system;
  - The project must have been implemented by a State Attorney who had authority to hire and fire the project employees and the member must have worked under the supervision of the State Attorney or subordinate; and
  - The past service must be verified by the employer as required and approved by the division.

**STATUTORY REFERENCE:**

Sections 121.021(18) and 121.081(1), Florida Statutes

**FRS RULE REFERENCE:**

Sections 60S-2.003, and 6.001(42), Florida Administrative Code

## B. PRIOR SERVICE

Prior service is employment with an agency participating in a state-administered retirement system for which either no contributions were paid or contributions were paid and later refunded. To purchase credit for prior service, an employee must be reemployed as a member of the FRS for at least one complete year of creditable service<sup>5</sup> within a period of 12 consecutive months and must pay the required contributions, plus interest. The categories of prior service and payments required for each service category are as follows:

### Refunded Service

If a member terminated employment and received a refund of employee contributions, retirement credit for the service represented by those contributions was forfeited. Credit for such prior service may be purchased as follows:

- **Cost:** The cost to purchase credit under the FRS for refunded service credit earned as a member of a closed retirement system (i.e., TRS or SCOERS) is 4 percent of the salary earned, plus interest. The cost to buy refunded service credit earned as a member of the FRS is the employee contribution rate in effect at the time the services were rendered, multiplied by salaries earned, plus interest.
- **Forms:** [Form FR-9](#), Information Request, should be completed and sent to the division, including a list of all employment with FRS employers. This will help the division to identify all of the member's refunded service and ensure that the member receives credit for all eligible service.
- **Criteria:** Refunded service is service for which the member received a refund of employee contributions upon termination of employment. This service must have been either service credited under an existing system, as defined under Rule 60S-6.001(27), Florida Administrative Code, or service for which the member received credit under the FRS during any time period in which the system was employee contributory.

### Certain Non-Membership Service<sup>6</sup>

If a member worked in a Florida government agency before December 1, 1970, but was not a member of a state-administered retirement system, credit may be purchased for that service as follows:

- **Cost:** The cost to purchase credit for non-membership prior service is 14.38 percent of salary earned during the period being purchased. If the employee earned less than \$100 per month, the cost will be 14.38 percent of \$100 per month, plus interest. The employer may pay up to half the amount due to purchase this prior service.
- **Forms:** [Form FR-9](#), Information Request, should be completed and sent to the division, including a list of all non-membership employment before December 1, 1970.

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<sup>5</sup> Service that may be used to satisfy this requirement includes: Any period of leave, with or without pay, after initial reemployment and during the 12-month period; service with more than one employer, provided the service is continuous; service performed as a participant of the State University System Optional Retirement Program (SUSORP); or service performed as a participant of the Senior Management Service Optional Annuity Program (SMSOAP).

<sup>6</sup> Creditable non-membership service may include service for Head Start, Manpower, or the WPA, as well as Cuban Aide Service with the Dade County School Board and certain special district hospital service.

- **Criteria:**

- The service must have been performed before the FRS was established (December 1, 1970).<sup>7</sup>
- The employee may not have been a member of an existing system or have paid retirement contributions on the affected service.
- The employment must have been otherwise creditable under the FRS (i.e., in a regularly established position).
- The service must have been with an employer participating in an existing system at the time the service was performed; or service with an employer performed before the system was established if the employer joined the system when it was established; or service with an employer before the employer began participating in an existing system if the employee became a member on the date the employer joined the system.
- The member must return to covered employment and remain employed for at least one full work year<sup>8</sup> of creditable service.

### **Certain Rejected Service**

If a member worked for an employer who was participating in a state-administered retirement system before December 1, 1970, but rejected membership in that retirement system, service credit may be purchased for that prior service as follows:

- **Cost:** The cost to purchase credit for rejected prior service is 14.38 percent of salary earned during the period being claimed. If the employee earned less than \$100 per month, the cost will be 14.38 percent of \$100 per month, plus interest. The employer may pay up to half the amount due to purchase this prior service.
- **Forms:** [Form FR-9](#), Information Request, should be completed and sent to the division, including a list of all non-membership employment before December 1, 1970.
- **Criteria:**
  - The employment must have been otherwise creditable under the FRS (i.e., in a regularly established position).
  - The employer must have been participating in a state-administered retirement system at the time the service was performed.
  - The employee must have rejected membership in writing before July 1, 1947, and the employee must withdraw the rejection.

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<sup>7</sup> In rare cases, service performed on or after December 1, 1970, may be creditable as prior nonmembership service.

<sup>8</sup> A member on a nine, ten, or 11-month contract is eligible after he has been on the payroll the number of months required by his contract. A member who earns less than a full year of service credit because of the \$100/\$250-per-month rule becomes eligible after being on the payroll for the number of months required by the contract.

### Florida Highway Patrol Training Service

If a member was employed as a Florida Highway Patrolman, the member may acquire credit for certain training service performed before taking the constitutional oath of office. Credit for the prior service may be purchased or received as follows:

- **Cost:** The cost to purchase prior FHP training service is the total employee and employer contributions required by the Highway Patrol Pension Fund under Chapter 321, Florida Statutes, during the period claimed, plus interest. The employer may pay up to half the amount due to purchase this prior service.
- **Forms:** [Form FR-9](#), Information Request, should be completed and sent to the division including the dates of the employee's training with the highway patrol.
- **Criteria:**
  - The training service must have occurred on or after November 1, 1939, and before July 1, 1968.
  - The training service must have been performed at a Florida Highway Patrol Training School or the Florida Highway Patrol Training Academy before taking the constitutional oath of office.

#### STATUTORY REFERENCE:

Sections 121.021(19) and 121.081(2), Florida Statutes

#### FRS RULE REFERENCE:

Sections 60S-2.004, and 6.001(47), Florida Administrative Code

### C. MILITARY SERVICE

Credit for military service can be purchased under three different provisions of law — if a member is not eligible to purchase it either as wartime military service under section 121.111(2), Florida Statutes, or as a military leave of absence under section 121.111(1), Florida Statutes described below, military service may also be claimed as federal service under out-of-state service (see section E, Page 7-19) under section 121.1115, Florida Statutes.

#### Wartime Military Service

If a member was initially employed in a regularly established position before January 1, 1987, up to four years of credit may be purchased under the FRS Pension Plan for active duty wartime service with the U.S. Armed Forces or the Allied Forces. One or more days of the member's military service must have been actual "wartime service" as defined in section 121.021(20)(b), Florida Statutes. Recent wartime periods as set forth under section 1.01(14), Florida Statutes, are shown below (dates of earlier wartime periods may be obtained from the division):

**World War II** – December 7, 1941, through December 31, 1946 (including service as a Merchant Marine from December 7, 1941, through August 15, 1945, if authorized on Form DD-214, Employee's Certificate of Service, or equivalent).

**Korean Conflict** – June 27, 1950, through January 31, 1955.

**Vietnam Era** – February 28, 1961, through May 7, 1975.

**Persian Gulf War** – August 2, 1990, to January 2, 1992.

**Operation Enduring Freedom** – October 7, 2001, and ending on the date thereafter prescribed by presidential proclamation or by law.

**Operation Iraqi Freedom** – March 19, 2003, and ending on the date thereafter prescribed by presidential proclamation or by law.

- **Cost:** The cost to purchase credit for each year of wartime military service is 4 percent of the annual salary earned during the member's first year of creditable service, plus interest.
- **Forms:** In order to determine an employee's eligibility to purchase credit for wartime military service, Form FR-9, Information Request, must be submitted along with a copy of the employee's certificate of service (Form DD-214 or equivalent) showing the dates of entry into, and honorable discharge from active duty. Also, [Form MF-1](#), Statement of Military Eligibility, must be completed certifying that the member is not eligible for a benefit from another retirement plan, based on the military service claimed in the FRS.
- **Criteria:**
  - The member must be vested in the FRS before credit for wartime military service can be purchased.
  - A member may not receive credit for any military service that is also credited toward any other federal, state, or local retirement benefit where "length of service" is a determining factor. However, credit may be granted for active duty wartime service that also applies towards a benefit from the U.S. Armed Forces Reserves or National Guard (under Chapter 67, Title 10, U.S. Code).
  - All service claimed as wartime military service will be valued at the Regular Class value per year, regardless of whether the employee is or was a member of any other class. (See Chapter 9, Part II, for the Regular Class percentage values.)

### **Military Leave of Absence (FRS Pension Plan)**

A member may receive retirement credit under the FRS Pension Plan for a military leave of absence for up to five years (or more if service is extended for the convenience of the Federal Government) of active duty military service with the U.S. Armed Forces.

- **Cost:** The cost to purchase credit for a military leave of absence is the contribution rate in effect during the leave for the employee's membership class, multiplied by the employee's monthly salary prior to the leave, plus interest, as follows:
  - If the member was released from military service on or after December 3, 1974, through June 30, 2011, and criteria described below are met, the employer must pay all employer contributions, plus interest, for the military leave of absence.
  - If employee contributions are required, the employee must pay any employee contributions due. When the member pays the required employee contributions for any period of military service covering July 1, 2011 and after, the employer contributions and service credit are awarded. If the member was released from military service before December 3, 1974, they will be responsible for paying both the employer and employee contributions, plus interest.
  - The division will notify the employer (and employee, if applicable) of retirement contributions and interest due, based on the employee's rate of monthly compensation prior to the military leave, less any contributions already paid on any supplemental salary paid to the employee.
- **Forms:** In order for the division to determine a member's eligibility to receive credit for a military leave of absence, the employer must submit a completed [Form FR-9](#), Information Request, a copy of the employee's certificate of service (Form DD-214 or equivalent) showing dates of entry into, and honorable discharge from, active duty, and a [Form DPR-100M](#) completed by the agency showing the salaries the member would have received, including pay raises, if the member had been at work along with the date the member returned to work.
- **Criteria:**
  - The member must have been filling a regularly established position with an FRS employer immediately prior to the military service and must have left the position for the purpose of induction or entry into the Armed Forces of the United States.
  - The member must apply for reemployment with the same employer<sup>9</sup> within 90 days of discharge from active duty and must be entitled to reemployment under the provisions of the Uniformed Services Employment and Reemployment Rights Act (USERRA).
  - A military leave of absence can be counted towards the years required for a member to become vested. The member does not need to be vested in the FRS before credit can be received for the military leave of absence.
  - The employer must notify the division by submitting the required forms listed above when the employee returns from a military leave of absence.

#### **STATUTORY REFERENCE:**

Sections 121.021(20) and 121.111, Florida Statutes

#### **FRS RULE REFERENCE:**

Sections 60S-2.005, Florida Administrative Code

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<sup>9</sup> A member who takes a leave of absence from a state agency need only return to state employment, not the same agency.

**Military Leave of Absence (FRS Investment Plan and Other Optional Plans)**

Employer obligations under USERRA with respect to military leaves of absence are different for the optional defined contribution plans<sup>10</sup> offered under the Florida Retirement System. Upon meeting the reemployment requirements established under USERRA:

- **Cost:**
  - Employees participating in the FRS Investment Plan will have the employer contributions and interest, and the employee contributions (excluding contributions required for the Health Insurance Subsidy and fees for administration of the Investment Plan) deposited in their Investment Plan account(s). Periods of military service covering July 1, 2011, and after when employee contributions are required will have the employer contributions, plus interest, and related service credit awarded upon payment of the required employee contributions.
  - Contributions and interest for participants of the State University System Optional Retirement Program or the Senior Management Service Optional Annuity Program will be forwarded to participant account(s) as provided in sections 121.055 and 121.35, Florida Statutes.
  - Community Colleges are responsible for ensuring that employees enrolled in the Community College System Optional Retirement Program are made whole by contributing appropriate contributions to participant account(s). If requested, the division will calculate the contribution amount.
- **Criteria:** The plan participant must have been filling a regularly established position with an FRS employer immediately prior to the military service and must have left the position for the purpose of induction or entry into the Armed Forces of the United States. The plan participant must then apply for reemployment with the same employer within 90 days of discharge from active duty and must be entitled to reemployment under the provisions of USERRA.

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<sup>10</sup> In contrast to a defined benefit plan like the FRS Pension Plan, a defined contribution plan offers no promised benefit. Members do not earn “credit” under a defined contribution plan. Instead, contributions are paid into an account for the employee. The plan sponsor or employer controls the contribution rates. Investments are generally directed by the employee, who realizes interest and/or investment earnings on the accumulated contributions and bears the market risk. The benefit payable to the employee at retirement is the amount of money accumulated in the account at termination.



## D. LEAVES OF ABSENCE

### 1. Leave without Pay

A leave of absence without pay is an authorized period when an employee is not at work, but during which the employer/employee relationship still exists. An employee may purchase credit for a total of up to two work years for such approved leaves of absence, including leaves of absence due to resignation to run for Sheriff or Police Chief (see Page 7-17) and leaves of absence covered under the Family Medical Leave Act (see Page 7-17).

### Cost, Forms, and Criteria

- **Cost:** For a member to buy retirement credit for an unpaid leave of absence, required contributions must be paid before the employee retires. The cost to purchase retirement credit for a leave of absence without pay is based on the employee's rate of monthly salary just before the leave was taken and depends on when the leave was taken. For members of the Regular Class, the cost is as follows:

| Dates of Leave                                | Percentage of Monthly Salary<br>Prior to Leave  |
|---|---|
| December 1, 1970 through<br>December 31, 1974 | 8%  |
| January 1, 1975 through<br>June 30, 1980      | 9%  |
| July 1, 1980 to present                       | Total contribution rate in effect<br>during the leave period for the class<br>of membership to which the<br>employee belonged when leave was<br>granted |

A member in any other membership class may receive credit for the leave under that class by paying the total applicable contribution rate in effect for that class of membership during the leave of absence. The "total applicable contribution rate" includes the required employer contributions in addition to required employee contributions when applicable.

Interest is charged in addition to the above contributions.

- **Forms:** [Form FR-28](#), Application to Purchase Retirement Credit for a Leave of Absence, must be completed and sent to the division before the cost to purchase a leave can be computed.
- **Criteria:**
  - To be eligible to buy credit for a period of leave as creditable service, the leave of absence must have been authorized in writing by a member's employer before or during the leave.
  - The member must return to work in a regularly established position with any FRS employer for one calendar month immediately after the leave of absence ends. There are two exceptions to this rule:
    1. An employee on leave for medical reasons may retire on disability without returning to work, claiming the period of the leave of absence up to termination.

2. A member whose work year is less than 12 months and whose leave of absence ends between school years must return to work at the beginning of the next school year and remain on the employer's payroll for one calendar month.

A member may pay the required contributions necessary to purchase retirement credit for an authorized leave of absence anytime after returning to work for one calendar month. (For payment and cost information, see Page 7-16.)

Although a member may buy service credit for a leave of absence before vesting under the FRS Pension Plan, the vesting for service retirement, excluding any periods of leave, must be worked before receiving service credit for the leave of absence. (A period of leave cannot be counted toward the number of years required for a member to become vested.) A military leave of absence is the only leave of absence exception to this vesting requirement.

### **Resignation to Run for Sheriff or Police Chief**

A member who is required under section 99.012(4), Florida Statutes, to resign office as a subordinate officer, deputy sheriff, or police officer because the member is a candidate for the public office currently held by the member's superior officer (who is also a candidate for reelection to the same office) may, upon return to covered employment after the election, purchase retirement credit under the FRS Pension Plan as a leave of absence without pay for the period between the date of resignation and the beginning of the term of office for which the member was a candidate.

### **FMLA**

The Family and Medical Leave Act of 1993 (FMLA) requires that unpaid leave be granted for up to 12 weeks a year (or within a 12-month period) to care for children at birth or adoption, or to care for a seriously ill child, spouse, or parent, or for the member's own serious illness. An employee on an FMLA leave without pay will not earn retirement credit for any month(s) during which salary is not paid; however, the employee may purchase retirement credit for the FMLA leave(s), subject to the existing provisions of the FRS law regarding leaves of absence.

### **STATUTORY REFERENCE:**

Section 121.121, Florida Statutes

### **FRS RULE REFERENCE:**

Sections 60S-2.006 and 3.007, Florida Administrative Code

**2. Leave with Pay****Full Pay**

If a member who is filling a full-time or part-time regularly established position is granted a leave of absence with full pay at the rate the member was being paid before the leave of absence,<sup>11</sup> the member shall not be considered on leave of absence for retirement purposes. Required contributions must be made throughout the leave period as salaries are reported monthly. In this case, the member will receive full retirement credit for the period of leave of absence with pay.

**Partial Pay**

If a member who is filling a full-time or part-time regularly established position is granted a leave of absence with partial pay,<sup>12</sup> the member will continue to receive full retirement credit<sup>13</sup> based on the partial pay received<sup>14</sup> for the period that the member is on leave of absence. Required contributions must be made throughout the leave period as salaries are reported monthly. The member may elect, upon return from such leave, to purchase retirement credit based upon the full salary the member was earning before the leave of absence by making appropriate additional contributions.<sup>15</sup> (Since the member already has full retirement credit for the affected period, this type of credit purchase makes sense for retirement purposes only if the resulting salary for the fiscal year would be among the member's highest years of compensation for the member's average final compensation. If additional contributions are not made, only the partial pay received will be included in the member's salary for that fiscal year.)

**STATUTORY REFERENCE:**

Sections 121.021(17) and (58) and 121.121, Florida Statutes

**FRS RULE REFERENCE:**

Sections 60S-1.004, 2.006(2)-(4), 3.002, and 3.007, Florida Administrative Code

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<sup>11</sup> See Rule 60S-1.004(4)(a) or (b), Florida Administrative Code.

<sup>12</sup> See Rule 60S-1.004(4)(a) or (b), Florida Administrative Code.

<sup>13</sup> See Rule 60S-2.002(4)(c), Florida Administrative Code.

<sup>14</sup> If the leave occurred during the period from 1974 through 1985, the salary received must meet minimum requirements established by law.

<sup>15</sup> See Rule 60S-3.007(2), Florida Administrative Code.

## E. IN-STATE AND OUT-OF-STATE SERVICE

Certain types of employment within or outside the State of Florida may be creditable under the FRS Pension Plan. The service must have been performed as a public employee participating in a pension plan in Florida or in another state or a political subdivision of Florida or another state, or with the federal government or military. Credit for such service may be purchased as optional service credit as follows:

### In-State or Out-of-State Public Service

Members of the FRS Pension Plan can purchase additional FRS retirement service credit for up to five years<sup>16</sup> of certain in-state and out-of-state service, in the aggregate. The cost, forms, and requirements for purchasing either type of service credit follow:

- **Cost:**
  - The employee must pay 20 percent of the salary earned for the first full work year as a member of the FRS or 20 percent of \$12,000, whichever is greater, plus interest at 6.5 percent, compounded annually from the first year of membership in the FRS to the date of payment. (See table on Page 7-21 for estimates.)
  - The employer is permitted, but is not required, to pay all or a portion of the cost of this service credit.
  - The division will accept a direct rollover from an IRA or a defined contribution plan as payment for purchase of service (see Page 7-5).
- **Forms:**
  - For nonmilitary service, the employee should complete section A of [Form FR-30](#), Verification for In-State or Out-of-State Service Credit, and then mail the form to the pension system of the state or political subdivision where the employee worked. The pension system of the state or political subdivision will complete section B of [Form FR-30](#) and mail the form to the division.
  - To apply for military service credit as federal service under the out-of-state provision, the employee should complete section A of [Form FR-30](#) (leaving section B blank) and submit the form to the division, together with a copy of the military separation papers (Form DD-214 or equivalent) which show the date(s) of entry and separation. The member must also complete and submit [Form MF-2](#), Statement of Military Eligibility to Purchase Military Service under the Out-of-State Provisions to certify not being eligible for a benefit from another retirement plan, based on the military service claimed under the FRS.
- **Criteria:**
  - For nonmilitary service, the service must have been covered by a retirement plan and performed as a public employee in another state, as a public employee in Florida, or as an employee in a charter school, charter technical career center, or in a nonpublic school or college in Florida that is accredited by the Southern Association of Colleges and Schools. Service with the federal government or military may also qualify as out-of-state service. The service must have occurred

<sup>16</sup> For a one-year period between July 1, 2003, and June 30, 2004, members were authorized to buy up to ten years of credit for out-of-state service and up to five years of credit for in-service credit, without aggregation. The purchase must have been completed by June 30, 2004.

before a period of membership in the FRS Pension Plan and must be verified as explained in the forms section above.

- The member may purchase credit for a year of in-state or out-of-state service upon completing a year of creditable service in the FRS Pension Plan. Additional years of in-state or out-of-state service may be purchased on a year-for-year basis. For example, a member with four years of FRS service may purchase credit for up to four years of in-state or out-of-state service. Although the service is not creditable until the employee becomes vested in the FRS, the member may purchase service credit before vesting to avoid paying additional interest charges. An employee who does not vest and requests a refund of employee contributions on deposit will receive a refund of their payment(s), but will not earn any interest on these contributions.
- A maximum of five years of credit for in-state or out-of-state service may be purchased,<sup>17</sup> and all service claimed will be credited as Regular Class service.
- The employee must be vested in the FRS before the service is creditable under the FRS.
- A member who earns in-state or out-of-state service after leaving the FRS may only purchase credit for this service after returning to FRS membership and completing at least one year of FRS creditable service.
- The employee must not be eligible to receive a retirement pension or benefit in any other retirement plan based on the service claimed under the FRS.

### **Counseling Employees about Claiming Credit for In-State or Out-of-State Service**

Depending on individual circumstances, it may or may not be to the member's advantage to buy credit under the FRS Pension Plan for in-state or out-of-state service. To help the member make a decision, compare the cost of the in-state or out-of-state service credit with the value to be derived from the added credit.

The table on the following page projects estimated costs to purchase one year of in-state or out-of-state service credit, with interest included through June 30, 2021 (additional interest would be due if service is purchased after June 30, 2022). For a rough estimate of how much it would cost a member to buy credit for the eligible in-state or out-of-state service, find the salary at the top of the table closest to the employee's first salary as an FRS member. Next, find the member's first fiscal year (July-June) of FRS covered employment at the left side of the table.

The amount at the intersection of the selected row and column represents the estimated amount it would cost for the member to purchase credit for one year of service. For example, if an employee's first annual salary under the FRS were \$18,000 in 1995-96, the estimated cost to buy credit for one year of service would be approximately \$18,509.

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<sup>17</sup> Between July 1, 2003, and July 1, 2004, members were authorized to buy up to ten years of credit for out-of-state service and up to five years of credit for in-service credit, without aggregation.

### Estimated Cost to Buy One Year's Credit for In-State or Out-of-State Service

|         | First Annual Salary Earned as a Member of the FRS |          |          |          |          |          |          |           |
|---------|---|----------|----------|----------|----------|----------|----------|-----------|
|         | \$12,000  | \$15,000 | \$18,000 | \$21,000 | \$24,000 | \$30,000 | \$40,000 | \$50,000  |
| 2020/21 | \$2,556   | \$3,195  | \$3,834  | \$4,473  | \$5,112  | \$6,390  | \$8,520  | \$10,650  |
| 2019/20 | \$2,722   | \$3,403  | \$4,083  | \$4,764  | \$5,444  | \$6,805  | \$9,074  | \$11,342  |
| 2018/19 | \$2,899   | \$3,624  | \$4,349  | \$5,073  | \$5,798  | \$7,248  | \$9,664  | \$12,080  |
| 2017/18 | \$3,088   | \$3,859  | \$4,631  | \$5,403  | \$6,175  | \$7,719  | \$10,292 | \$12,865  |
| 2016/17 | \$3,288   | \$4,110  | \$4,932  | \$5,754  | \$6,576  | \$8,221  | \$10,961 | \$13,701  |
| 2015/16 | \$3,502   | \$4,377  | \$5,253  | \$6,128  | \$7,004  | \$8,755  | \$11,673 | \$14,591  |
| 2014/15 | \$3,730   | \$4,662  | \$5,594  | \$6,527  | \$7,459  | \$9,324  | \$12,432 | \$15,540  |
| 2013/14 | \$3,972   | \$4,965  | \$5,958  | \$6,951  | \$7,944  | \$9,930  | \$13,240 | \$16,550  |
| 2012/13 | \$4,230   | \$5,288  | \$6,345  | \$7,403  | \$8,460  | \$10,575 | \$14,101 | \$17,626  |
| 2011/12 | \$4,505   | \$5,631  | \$6,578  | \$7,884  | \$9,010  | \$11,263 | \$15,017 | \$18,772  |
| 2010/11 | \$4,798   | \$5,997  | \$7,197  | \$8,396  | \$9,596  | \$11,995 | \$15,993 | \$19,992  |
| 2009/10 | \$5,110   | \$6,387  | \$7,665  | \$8,942  | \$10,220 | \$12,775 | \$17,033 | \$21,291  |
| 2008/09 | \$5,442   | \$6,802  | \$8,163  | \$9,523  | \$10,884 | \$13,605 | \$18,140 | \$22,675  |
| 2007/08 | \$5,796   | \$7,245  | \$8,694  | \$10,142 | \$11,591 | \$14,489 | \$19,319 | \$24,149  |
| 2006/07 | \$6,172   | \$7,716  | \$9,259  | \$10,802 | \$12,345 | \$15,431 | \$20,575 | \$25,718  |
| 2005/06 | \$6,574   | \$8,217  | \$9,860  | \$11,504 | \$13,147 | \$16,434 | \$21,912 | \$27,390  |
| 2004/05 | \$7,001   | \$8,751  | \$10,501 | \$12,252 | \$14,002 | \$17,502 | \$23,336 | \$29,170  |
| 2003/04 | \$7,456   | \$9,320  | \$11,184 | \$13,048 | \$14,912 | \$18,640 | \$24,853 | \$31,067  |
| 2002/03 | \$7,941   | \$9,926  | \$11,911 | \$13,896 | \$15,881 | \$19,852 | \$26,469 | \$33,086  |
| 2001/02 | \$8,457   | \$10,571 | \$12,685 | \$14,799 | \$16,914 | \$21,142 | \$28,189 | \$35,236  |
| 2000/01 | \$9,006   | \$11,258 | \$13,510 | \$15,761 | \$18,013 | \$22,516 | \$30,021 | \$37,527  |
| 1999/00 | \$9,592   | \$11,990 | \$14,388 | \$16,786 | \$19,184 | \$23,980 | \$31,973 | \$39,966  |
| 1998/99 | \$10,215  | \$12,769 | \$15,323 | \$17,877 | \$20,431 | \$25,538 | \$34,051 | \$42,564  |
| 1997/98 | \$10,879  | \$13,599 | \$16,319 | \$19,039 | \$21,759 | \$27,198 | \$36,264 | \$45,331  |
| 1996/97 | \$11,587  | \$14,483 | \$17,380 | \$20,276 | \$23,173 | \$28,966 | \$38,622 | \$48,277  |
| 1995/96 | \$12,340  | \$15,424 | \$18,509 | \$21,594 | \$24,679 | \$30,849 | \$41,132 | \$51,415  |
| 1994/95 | \$13,142  | \$16,427 | \$19,713 | \$22,998 | \$26,283 | \$32,854 | \$43,806 | \$54,757  |
| 1993/94 | \$13,996  | \$17,495 | \$20,994 | \$24,493 | \$27,991 | \$34,990 | \$46,653 | \$58,316  |
| 1992/93 | \$14,906  | \$18,632 | \$22,358 | \$26,085 | \$29,811 | \$37,264 | \$49,685 | \$62,107  |
| 1991/92 | \$15,875  | \$19,843 | \$23,812 | \$27,780 | \$31,749 | \$39,686 | \$52,915 | \$66,144  |
| 1990/91 | \$16,906  | \$21,133 | \$25,359 | \$29,586 | \$33,813 | \$42,266 | \$56,354 | \$70,443  |
| 1989/90 | \$18,005  | \$22,507 | \$27,008 | \$31,509 | \$36,010 | \$45,013 | \$60,017 | \$75,022  |
| 1988/89 | \$19,176  | \$23,969 | \$28,763 | \$33,557 | \$38,351 | \$47,939 | \$63,919 | \$79,898  |
| 1987/88 | \$20,422  | \$25,527 | \$30,633 | \$35,738 | \$40,844 | \$51,055 | \$68,073 | \$85,092  |
| 1986/87 | \$21,749  | \$27,187 | \$32,624 | \$38,061 | \$43,499 | \$54,374 | \$72,498 | \$90,623  |
| 1985/86 | \$23,163  | \$28,954 | \$34,744 | \$40,535 | \$46,326 | \$57,908 | \$77,210 | \$96,513  |
| 1984/85 | \$24,669  | \$30,836 | \$37,002 | \$43,170 | \$49,337 | \$61,672 | \$82,229 | \$102,786 |
| 1983/84 | \$26,272  | \$32,840 | \$39,407 | \$45,976 | \$52,544 | \$65,681 | \$87,574 | \$109,467 |
| 1982/83 | \$27,980  | \$34,975 | \$41,968 | \$48,964 | \$55,959 | \$69,950 | \$93,266 | \$116,582 |
| 1981/82 | \$29,799  | \$37,248 | \$44,696 | \$52,147 | \$59,596 | \$74,497 | \$99,328 | \$124,160 |

### **Value of In-State or Out-of-State Service**

The value to the member of buying credit for in-state or out-of-state service is the increase in the projected retirement benefit due to the added service credit. Determine this value by estimating the member's potential FRS benefit both with and without the extra service (see Parts II and III of Chapter 9) and then find the difference between the two amounts. To roughly estimate the dollar value of the service for each year of retirement, a Regular Class member would multiply the number of years of service to be claimed by the accrual value of 1.60 percent<sup>18</sup>, and multiply the result by the member's projected AFC.

In deciding whether or not to purchase in-state or out-of-state service, the member should compare the estimated retirement benefit as of a projected retirement date, both with and without the additional service, to determine how many months the member must be retired before recovering the cost of purchasing the service. In addition, a member may also wish to consider:

- The value to the member of reducing or eliminating the early retirement reduction factor;<sup>19</sup>
- The value of the HIS payment,<sup>20</sup> both with and without the additional service (under current law, the HIS increases by \$5 per month for each year of service claimed, so an extra five years of service would potentially increase the monthly HIS benefit by \$25, subject to the HIS maximum benefit of \$150 for 30 years of service); and
- The impact of cost-of-living adjustments, both with and without the additional service (benefits increase by a cost-of-living adjustment beginning in their July benefit each year after retirement).

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<sup>18</sup> This is the annual rate at which retirement credit accrues for members of the FRS Regular Class; however, if a Regular Class member works for one, two, or three plus years beyond the normal retirement date, the multiplier increases to 1.63 percent, 1.65 percent, or 1.68 percent, respectively. (For accrual rates of other membership classes, see Chapter 9, Part II.)

<sup>19</sup> If the purchase of additional service credit enables the member to meet the service requirements for normal retirement and retire with full benefits instead of retiring early, the member would avoid a 5 percent reduction in the retirement benefit for each year remaining before reaching normal retirement age.

<sup>20</sup> The HIS is not a pre-funded, guaranteed benefit (unlike the FRS Pension Plan benefit), which is subject to available funding and the legislative authorization to spend HIS funds.



**Example of In-State or Out-of-State Service Purchase that May Benefit the Member:**

**Linda** — a member initially enrolled before July 1, 2011, who is age 55 with 29 years of service under the FRS Pension Plan, eligible for unreduced benefits after 30 years of service and an AFC of \$30,000. Linda wants to retire early, but she does not want her benefit to be reduced. She has one year of eligible out-of-state service, and needed to determine if buying credit for this service was a “good buy.” The calculations below show how Linda made the decision to buy the service credit:

|  |               |
|--|---------------|
| Monthly Option 1 benefit with the out-of-state service:  | \$1,200       |
| Monthly Option 1 benefit without the out-of-state service<br>(includes a 35 percent early retirement reduction from age 62): | <u>\$ 754</u> |
| Increase in monthly benefit due to out-of-state service:   | \$ 446        |

Linda’s first FRS salary in 1992-93 was \$8,500 (the salary used in the cost calculation must be the minimum salary of \$12,000). Therefore, the cost for one year of out-of-state service is \$14,906. When her cost (\$14,906) is divided by the monthly increase in the benefit (\$446), she sees that she can recover the cost of purchasing the out-of-state service in fewer than 34 months (less than three years) of retirement.

**Example of In-State or Out-of-State Service Purchase that May Not Benefit the Member:**

**Pete** — a member initially enrolled before July 1, 2011, who is age 62 with ten years of service under the FRS Pension Plan and an AFC of \$20,000. Pete is eligible for an unreduced benefit because he is age 62 and vested but wants to improve his benefit and has two years of in-state service eligible for purchase. After consideration, he decided not to buy the service credit he was thinking of buying. The following calculations show how Pete made this decision:

|  |               |
|--|---------------|
| Monthly Option 1 benefit with the in-state service:    | \$ 320        |
| Monthly Option 1 benefit without the in-state service: | <u>\$ 267</u> |
| Increase in benefit due to in-state service:           | \$ 53         |

Pete’s first FRS salary in 2011-12 was \$15,000. Therefore, the cost to buy credit for two years of in-state service is \$11,262 ( $\$5,631 \times 2$ ). If the cost (\$11,262) is divided by the monthly increase in the benefit (\$53), it will take Pete 213 months or more than 17 years after retirement to recover the cost of purchasing the in-state service. If the additional \$10 per month health insurance subsidy payment were taken into consideration, Pete would still have to receive benefits almost 15 years before recovering the cost of purchasing the service.

### Out-of-State Teaching Service -TRS

If an employee is a member of the Teachers' Retirement System (TRS) or was a member of the TRS before becoming an FRS member, the member may be eligible to buy credit under the TRS or FRS Pension Plan for out-of-state public teaching service, if all eligibility requirements under the TRS are met.

- **Cost:** The cost to purchase out-of-state teaching service under the TRS depends on the employee's initial date of membership or most recent renewal of membership in that system, as shown below:

| Date of TRS Membership or of Renewal of Membership | Cost to Purchase Out-of-State Teaching Service   |
|--|--|
| Before July 1, 1955                                | Salary earned out-of-state multiplied by 6 percent, plus interest.   |
| July 1, 1955, through September 30, 1963           | Salary earned out-of-state multiplied by 8 percent, plus interest.   |
| On or after October 1, 1963                        | Total actuarial cost. (This means the employee pays the total cost of the additional retirement benefits this service will provide. The cost cannot be calculated until the employee retires and is usually not considered to be a good investment.) |

- **Forms:** Form TR-4, Verification of Out-of-State Teaching Service, should be completed by the school in which the out-of-state service was rendered. Please contact the division for a copy of this form.
- **Criteria:**
  - This service credit may be purchased only if the member is ineligible to claim the out-of-state service under another retirement system;
  - No more than ten years of credit for service outside the state may be purchased, as provided in section 238.06(4), Florida Statutes;
  - The member must have sufficient teaching service in Florida as required by section 238.06(4), Florida Statutes, to receive credit for such out-of-state service;
  - The member's TRS service must still be on deposit or the TRS out-of-state service must have been purchased in full before the member received a refund;
  - Credit will not be allowed for a period of absence without pay of more than a month's duration; and
  - Credit will not be allowed for more than one year of service for all service in any school year.

### **Seasonal State Employment**

Any member who works for the Department of Agriculture and Consumer Services in seasonal-agricultural employment in Florida for six or more calendar months during a fiscal year (July 1 - June 30), and who works in another state in a similar capacity during the same fiscal year, may purchase retirement credit under the FRS Pension Plan for the actual time in seasonal-agricultural employment for the other state in that fiscal year.

- **Cost:** The cost to buy credit for out-of-state seasonal agricultural employment is determined by multiplying the contribution rate in effect under the FRS at the time of the out-of-state seasonal-agricultural employment by the employee's last full month of salary in Florida, plus interest from the fiscal year of the service claimed to the date of payment.
- **Forms:** A letter must be provided to the division from the state in which the employee worked, listing the days employed and monthly earnings.
- **Criteria:** This service credit may be purchased only if the member is not eligible to claim the out-of-state service under another retirement system.

#### **STATUTORY REFERENCE:**

Sections 121.051(6)(a), 121.1115, 121.1122, 122.07, and 238.06(4), Florida Statutes

#### **FRS RULE REFERENCE:**

Sections 60S-2.007, and 3.008, Florida Administrative Code

## F. WORKERS' COMPENSATION CREDIT

### Credit for Periods of Workers' Compensation Leave

Whenever a member suffers an accidental compensable injury or illness arising out of work performed in the course and the scope of the covered employment, any associated periods that the member is out of work while receiving workers' compensation payments may be creditable for retirement under the FRS Pension Plan at no cost to the member, as follows:

- **Cost:** The employer of record at the time of the worker's compensation injury or illness is responsible for reporting retirement contributions, including required employee contributions (see Parts I of Chapter 2), for affected periods to the division to ensure that the member receives service credit at no cost. Retirement contributions for such periods are due and must be paid upon submission of the first payroll report after:
  - Completion of the required one calendar month of active employment by a member who returns to employment; or
  - Notification by the division that a member has been approved for and retired under disability retirement.

Any employing agency that fails to make retirement contributions properly and timely will be charged a delinquent fee of 1 percent per month as provided by law. This fee cannot be waived and will be charged to the date retirement contributions were required to be paid (including periods of workers' compensation leave occurring on and after July 1, 1990).

- **Forms:** For worker's compensation payments made for temporary partial or temporary total disability, attach a copy of the Notice of Injury and submit a completed [Form WC-1](#), Certification of Workers' Compensation. Please include the maximum medical improvement date on [Form WC-1](#), as this date is used along with the termination date to establish the period of creditable service or to establish the effective date of retirement for members who retire on disability. Also, please certify the worker's compensation payments to be reported as salary on [Form WC-1](#).<sup>21</sup>

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<sup>21</sup> Certification of the salary to be reported will not be necessary if salaries were reported on retirement reports using the designated instructions for work period 77 for worker's compensation received before July 1, 1990, or work period 88 on or after July 1, 1990 because the member will already have credit for the period of worker's compensation leave. (See Chapter 2, Part I, section C.)

- **Criteria:**

- To be eligible to receive retirement credit for a period of worker's compensation leave, immediately upon recovery, the employee must return to work<sup>22</sup> for at least one calendar month in a regularly established position for a participating employer; however, since July 1, 1990, an employee who retires on disability while receiving worker's compensation payments may purchase credit for the period without returning to work.
- No member may receive retirement credit for any such period occurring after the earlier of the date of maximum medical improvement as defined in section 440.02, Florida Statutes, or the date termination has occurred as defined in section 121.021(39), Florida Statutes.
- Retirement credit for worker's compensation leave as described herein will be based on the member's class of membership immediately prior to his eligibility for workers' compensation payments.

**STATUTORY REFERENCE:**

Section 121.125 and Chapter 440, Florida Statutes

**FRS RULE REFERENCE:**

Section 60S-2.012 and 6.001(17), (21), and (67), Florida Administrative Code

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<sup>22</sup> The division may require evidence of the member's bona fide return to work and medical evidence of the ability to return to work.

## G. SUSPENSION WITHOUT PAY

### If Employment Is Reinstated

If an employee is suspended without pay and the employment is later reinstated, restoring the employee-employer relationship, retirement credit may be purchased for this period. Similarly, if a dismissal action as described under section H., “Dismissal from Employment” (see Page 7-29) is subsequently changed to a suspension by proper authority or through legal proceedings, and the member’s employment is subsequently reinstated, the member may purchase retirement credit for this period.

### Reinstatement without a Change in Suspension Status

If a member is suspended without pay and the employment is subsequently reinstated with no change in the type of suspension, credit is purchased as follows:

- **Cost:** The cost to the employee to purchase each month of credit is calculated by multiplying the employer (and employee, if applicable) contribution rate in effect during the period of suspension by the monthly salary earned immediately before the suspension, plus interest.
- **Forms:** The employer must send the division documentation of the suspension and reinstatement and a completed [Form FR-9](#), Information Request.
- **Criteria:** The creditable service claimed for the period of suspension cannot exceed 24 months;
  - The member must return to active employment with a participating employer and remain on the employer’s payroll for at least one calendar month; and
  - The member’s employment must be reinstated, and the member must pay the total required employer and employee contributions.

A period of suspension without compensation will not be considered a break in service if the member elects to purchase credit for the entire period of suspension.

### Retroactive Change in Suspension Status

If a suspension without pay is retroactively changed to a suspension with pay or to a reinstatement with pay, the employer is responsible for paying any applicable employer contributions plus all the interest on both the employer and employee contributions owed for the affected period of suspension.

### Retroactive Change in Suspension Status with a General Settlement

If the employee accepts a settlement to address all issues related to the dismissal that later became a reinstatement, then the employee cannot receive credit or purchase credit to cover the period of reinstatement. A general settlement to dismiss all claims related to a dismissal and reinstatement that does not specify the retroactive salary component by month for the period in question or require the employer to retroactively report salary and contributions does not provide any basis for the member to receive service credit for this period.

#### STATUTORY REFERENCE:

Section 121.011(3)(e), Florida Statutes

#### FRS RULE REFERENCE:

Sections 60S-2.016(1), and 3.014(1), Florida Administrative Code

## H. DISMISSAL FROM EMPLOYMENT

### Dismissal

A member who has been or is dismissed from employment is considered terminated from active membership. However, if the dismissal is later rescinded by proper authority or through legal action, the member may be eligible to receive retirement credit for this period of dismissal. Credit is purchased as follows:

- **Cost:** The cost to the employer to purchase each month of credit is calculated by multiplying the employer contribution rate in effect during the dismissal period by the monthly salary earned immediately prior to the dismissal, plus interest on both the employer and employee contributions. The member shall pay the total employee contributions, if applicable.
- **Forms:** The employer must send the division documentation of both the dismissal and rescission of the dismissal, together with a completed [Form FR-9](#), Information Request.
- **Criteria:**
  - The dismissal action taken against the member must be determined to be incorrect and must be negated;
  - The member's employment must be reinstated;
  - The member must be "made whole" for the period of the dismissal or any portion thereof (i.e., the member must receive full salary and benefits, based on the last rate of pay earned immediately before the dismissal action, to cover the reinstatement period); and
  - The employer must pay required retirement contributions for the period for which the employee is made whole, plus interest (the member will be responsible for any employee contributions due, if applicable).
  - A general settlement to dismiss all claims related to the dismissal and reinstatement where the employer is not required to "make the employee whole" will result in the member not receiving service credit for the months in which no salary is reported.

### Change from Dismissal to Suspension

If a dismissal action as described above is subsequently changed to a suspension by proper authority or through legal proceedings, and the member's employment is subsequently reinstated, the member may purchase retirement credit for this period as described on Page 7-28.



**Change from Dismissal to Suspension and DROP Participation**

A DROP participant who is dismissed is no longer in an employer-employee relationship. If there is a month or more in which salary and contributions are not reported the member's DROP participation is over. The member must choose how to receive the DROP payout and monthly benefit payments will be made upon verification of termination (retirement is finalized). If the dismissal is later rescinded by proper authority or through legal action, the employee cannot be retroactively reinstated into DROP.

- If the retired member returns to employment within the first six calendar months after the month of termination, both the retirement and DROP participation are voided. The member must repay all monthly benefits and DROP account payments received and the employer is responsible for paying all the contributions, plus interest, to reinstate service credit as if the member never participated in DROP. There is no guaranteed access to DROP due to dismissal and reinstatement. The member's DROP eligibility must be assessed after returning to work. If the member meets the eligibility for DROP participation after reinstatement, then the member may elect to participate in DROP. If the member no longer meets the eligibility for DROP participation after reinstatement, then the member will not be able to participate in DROP.
- If the retired member returns to employment in calendar months seven through 12 after the termination date, retirement benefits must be suspended for any month during this period that the retiree works for an employer participating in the FRS. The employer and employee are jointly and severally liable for repayment of retirement benefits received in violation of this reemployment limitation. Effective March 9, 2018, there is one exception to the restrictions on reemployment limitations after retirement. If you are a retired law enforcement officer, you may be reemployed as a school resource officer by an employer that participates in the FRS during the seventh through twelfth calendar months after your retirement date or after your DROP termination date and receive both your salary and retirement benefits. There are no benefit restrictions after the first 12 calendar months after the termination date.

**STATUTORY REFERENCE:**

Section 121.011(3)(g), Florida Statutes

**FRS RULE REFERENCE:**

Sections 60S-2.016(2), 3.014(2) and (3), Florida Administrative Code

## I. REEMPLOYED RETIREE SERVICE BEFORE JULY 1, 1991

### Renewed Members – Credit for Former Postretirement Service

Any retiree who is reemployed with renewed membership on or after July 1, 1991, may purchase credit toward a second-career retirement benefit for the covered service that occurred after the first retirement and before being reported as a renewed member (see Chapter 13 for more on post-retirement reemployment and renewed membership). Either the reemployed retiree or the employer may pay the cost to establish service credit for this period.

- **Cost:** The cost for each month of credit is the contribution rate in effect for the appropriate class of membership during the period of reemployment, multiplied by the monthly salary, plus interest. (For postretirement service between July 1, 1985, and July 1, 1991, on which the reemployed retiree contribution was paid, the contribution is the difference between the contribution paid and the total applicable contribution for the period being claimed, plus interest.)
- **Forms:** If the renewed member wishes to purchase credit for postretirement service before July 1, 1985, the employer must submit certification of the position held and monthly earnings paid, along with a completed [Form FR-9](#), Information Request. To purchase credit for postretirement service on or after July 1, 1985, only a completed [Form FR-9](#), Information Request, must be submitted. The division will have a record of any service performed on or after July 1, 1985.
- **Criteria:**
  - A member filling a position in the Regular Class, Special Risk Class, or Special Risk Administrative Support Class, may buy credit in the Regular Class and a member filling a position assigned to the Senior Management Service Class may buy credit in the Senior Management Service Class<sup>23</sup>;
  - The employment must have been in a regularly established position;
  - If a member does not wish to purchase credit for all of the postretirement service for which the member is eligible, the service the member claims must be the most recent service; and
  - No creditable service for which credit was received at retirement, or which remained unclaimed at retirement, may be claimed or applied toward service credit earned following renewed membership.

#### STATUTORY REFERENCE:

Section 121.122, Florida Statutes

#### FRS RULE REFERENCE:

Sections 60S-1.0045, 2.008(3), and 3.009(4), Florida Administrative Code

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<sup>23</sup> Postretirement service credit must have been earned on or after February 1, 1987, and before July 1, 1991, to be claimed as credit toward a second-career benefit under the Senior Management Service Class.

## J. PERIODS OF DISABILITY RETIREMENT

### Purchase of Credit for Disability Retirement upon Recovery and Return to Covered Employment

A member of the FRS Pension Plan or the FRS Investment Plan who retires on disability, recovers, and reenters covered employment, may be eligible to purchase credit for the period that disability retirement benefits were received, as follows:

- **Cost:** The member may purchase credit for this service by paying the total employee and employer contributions required during the disability period. The cost for each month of service credit is the contribution rate in effect during the time the employee was receiving disability benefits, multiplied by the member's monthly salary prior to retirement, plus interest.
- **Forms:** The reemployed member must complete and submit [Form FR-9](#), Information Request, specifying the dates of disability.
- **Criteria:**
  - The member must notify the division in writing of the desire to receive credit for such service;
  - A recovered member must be continuously employed in a regularly established position for a minimum of one work year to be eligible for such credit;
  - Credit may not be purchased for any months in which the member concurrently received both disability retirement benefits and compensation from reemployment (unless such benefits are repaid);<sup>24</sup>
  - If the member does not wish to buy credit for all months the member received disability retirement benefits, the months for which credit is purchased must be the most recent months of retirement;
  - Purchased credit for periods of disability will be credited under the plan or class of the retirement system from which the member retired; and
  - When purchased under the FRS Pension Plan, the credit will apply toward vesting requirements in order for the member to be eligible to purchase additional credit for other service.

#### STATUTORY REFERENCE:

Section 121.091(4)(e), Florida Statutes

#### FRS RULE REFERENCE:

Sections 60S-2.018, 3.017, and 4.007(9), Florida Administrative Code

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<sup>24</sup> See Rule 60S-4.007(9)(b), Florida Administrative Code.

**K. TEACHING IN A FEDERALLY OPERATED SCHOOL IN FLORIDA****Credit for Teaching in a Federally Operated School**

A member of the Teachers' Retirement System or Florida Retirement System who taught in a public school in Florida that was taken over and operated by the United States Government under federal law<sup>25</sup> may be eligible to purchase credit for teaching service in that school, as follows:

- **Cost:** The cost to purchase this type of service credit depends on the member's retirement plan, both currently and when the affected service began:
  - A member of the TRS or FRS who was in the TRS and teaching in the public school when it was taken over by the Federal Government may purchase retirement credit for teaching service with the school during the time it was federally operated by making the required contributions in the same amount as required to buy credit for prior service (see Page 7-10).<sup>26</sup>
  - A member who was not a member of the TRS before teaching in the public school operated by the Federal Government may also purchase retirement credit for teaching service with the school during the time it was federally operated.
  - A member currently in the TRS may buy the credit under the TRS as prior teaching service outside the state.<sup>27</sup>
  - A member currently in the FRS may acquire the credit by making the required contributions in the same amount as required to buy credit for past service (see Page 7-6).<sup>28</sup>

For more information on cost, please contact the Division of Retirement toll-free at 877-377-1266 or 850-907-6540, or email [enrollment@dms.fl.gov](mailto:enrollment@dms.fl.gov).

- **Forms:** Complete and submit [Form FR-9](#), Information Request, including the dates of this service. The division will notify the member if any other certification is required.
- **Criteria:** For the service credit to be purchased under the FRS Pension Plan or TRS, credit for the teaching service may not be granted under any other state or federal retirement system.

**STATUTORY REFERENCE:**

Section 238.175, Florida Statutes

**FRS RULE REFERENCE:**

Sections 60S-2.014, Florida Administrative Code

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<sup>25</sup> The school may have operated pursuant to Public Law 81-874 or other federal law.

<sup>26</sup> See Rule 60S-3.005, Florida Administrative Code.

<sup>27</sup> See section 238.06(4), Florida Statutes.

<sup>28</sup> See Rule 60S-3.004(1), Florida Administrative Code.

## L. SPECIAL RISK UPGRADED SERVICE

### Upgrading Special Risk Service – (EMTs, Paramedics and Firefighters in Fire Prevention or Training)

An active member of the Special Risk Class may be able to upgrade to Special Risk Class value previous service as an emergency medical technician, paramedic, or a fire prevention or firefighter training position.

- **Cost:** The cost to upgrade this service is the difference between the total employer contributions actually paid and the employer contribution rate required for the Special Risk Class in effect for the period being claimed, multiplied by the salary earned during the period being upgraded, plus interest. If there are required employee contributions during the period of upgrade and the employee contribution rate for the Special Risk Class is higher than the other class, this difference in contributions must be added to the amount owed before charging interest. The cost for upgraded service credit may be paid for using a rollover from an eligible retirement plan. The employer is permitted, but not required, to pay the amount due to upgrade creditable service to Special Risk Class value.
- **Forms:** Complete and submit [Form FR-9](#), Information Request, to the division (see address on Page 7-40), including the dates of the service to be upgraded.
- **Criteria:**
  - The member must be an active member of the Special Risk Class at the time of purchase (the member cannot be an active member of another membership class, a retired member, a DROP participant, or a renewed member);
  - The service to be upgraded must have been performed while the member was filling a position within the purview of the Special Risk Class;
  - Previous service as EMT/paramedic supervisor or command officer may not be upgraded; however, a current EMT/paramedic supervisor or command officer in the Special Risk Class may upgrade previous service as an EMT/Paramedic;
  - Regardless of who pays for the upgrade, if all previous covered service is upgraded to Special Risk Class value, the member will no longer be eligible for dual normal retirement dates (which can affect the member's available options for participation in DROP); and
  - If the member does not wish to purchase upgraded credit for all eligible previous service as an EMT or paramedic, the service for which upgraded credit is purchased must be the most recent period of service.

#### STATUTORY REFERENCE:

Sections 121.0515(9) and 121.091(1)(a), Florida Statutes

#### FRS RULE REFERENCE:

Sections 60S-1.0052(2), 2.013(3) and (6), and 3.013(4), Florida Administrative Code

### Upgrading Special Risk Service – (Forensic Employees)

Effective July 1, 2008, an active member of the Special Risk Class employed as a forensic employee may be able to upgrade to Special Risk Class value previous service as a forensic employee.

- **Cost:** The cost to upgrade this service is the amount representing the actuarial accrued liability for the difference in accrual value during the affected period of service. The cost shall be calculated using the discount rate and other relevant actuarial assumptions that were used to value the Florida Retirement System defined benefit plan assets and liabilities in the most recent actuarial valuation. The FRS actuary must calculate the AAL cost for each request. The cost must be paid within 60 days of the date of the notification from the division. The local government employer may purchase the upgraded service credit on behalf of the member if the member has been employed by that employer for at least three years.
- **Forms:** Complete and submit [Form FR-9](#), Information Request, to the division (see address on Page 7-40), including the dates of the service to be upgraded.
- **Criteria:**
  - The member must be an active member of the Special Risk Class at the time of purchase and have been employed as a forensic employee on or after July 1, 2008. The member may not be an active member of another membership class, a retired member, a DROP participant, or a renewed member.
  - The service to be upgraded must have been performed while the member was filling a position within the purview of the forensic requirements as of July 1, 2008, for Special Risk Class participation.
  - Regardless of who pays for the upgrade, if all previous covered service is upgraded to Special Risk Class value, the member will no longer be eligible for dual normal retirement dates (which can affect the member's available options for participation in DROP); and
  - If the member does not wish to purchase upgraded credit for all eligible previous service as a forensic employee, the service for which upgraded credit is purchased must be the most recent period of service.

#### STATUTORY REFERENCE:

Sections 121.0515(9) and 121.091(1)(a), Florida Statutes

#### FRS RULE REFERENCE:

Sections 60S-1.0052(2), 2.013(3) and (6), and 3.013(4), Florida Administrative Code

## M. SMSC UPGRADED SERVICE

### SMSC Credit Upgrades

Since July 1, 1990, a member of the Senior Management Service Class (SMSC) may upgrade to SMSC value<sup>29</sup> previous service performed within the purview of the SMSC, retroactive to February 1, 1987. Also, any state attorney or public defender in the Elected Officers' Class who has previous creditable service as an assistant state attorney or assistant public defender may upgrade the service to SMSC retirement credit value.<sup>30</sup> Upgraded credit is acquired as follows:

- **Cost:** The cost to upgrade SMSC service is the difference between the total employer and employee contributions actually paid and the total employer and employee contribution rate required for the SMSC, multiplied by the salary earned during the period being upgraded, plus interest. The cost for upgraded service credit may be paid for using a rollover from an eligible retirement plan. The employer is permitted, but not required, to pay the amount due to upgrade creditable service to SMSC value.
- **Forms:** Complete and submit [Form FR-9](#), Information Request, including the dates of the service to be upgraded.
- **Criteria:**
  - To upgrade previous service credit to SMSC value, the member must have been employed in a position that would have been included in the SMSC had the position been included in the class initially (see Chapter 1, Part IV, section F);
  - The member must notify the division in writing of the desire to receive upgraded credit for such service;
  - If the member does not wish to purchase upgraded credit for all eligible previous service, the service claimed must be the most recent period of service.

**NOTE:** See Page 7-31 for information on purchase of upgraded credit by renewed members to be applied toward a second-career benefit.

### STATUTORY REFERENCE:

Section 121.055(1)(j) and (k), Florida Statutes

### FRS RULE REFERENCE:

Sections 60S-1.0057(1), 2.013(2)-(5), and 3.013, Florida Administrative Code

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<sup>29</sup> Under the Senior Management Service Class, members earn retirement credit at the rate of 2 percent of average final compensation per year of service.

<sup>30</sup> Assistant state attorneys and assistant public defenders were included within the SMSC effective January 1, 2001 (and permitted to upgrade their previous service within the purview of the class). Effective June 1, 2002, the law was amended to allow state attorneys and public defenders to upgrade their previous service as assistant state attorneys and assistant public defenders from Regular Class status to SMSC status. Because state attorneys and public defenders are in the Elected Officers' Class rather than the SMSC, without this change they could not have upgraded this service to SMSC value. (See section 5 of Chapter 2002-273, Laws of Florida.)



## N. EOC UPGRADED SERVICE

### Types of EOC Service that May Be Upgraded

A current or former member of the Elected Officers' Class (EOC), or a member who served as an elected officer after the applicable EOC subclass was established but chose to enroll in a different FRS membership class, may upgrade credit for previous service within the purview of the class<sup>31</sup> to receive the higher EOC value per year of creditable service:

1. Service in positions that are included in the EOC but for which the member earned credit under a closed retirement system or another class of the FRS.
2. Service from January 1, 1973, to October 1, 1974, as a county court judge.
3. Service before January 1, 1973, as a county solicitor, elected county prosecuting attorney, county judge, judge of a court of record, judge of a criminal or civil court of record, judge of a metropolitan court established pursuant to section 6, Article VIII, of the State Constitution, judge of a small claims court, or justice of the peace. (To upgrade credit for this service, the member must have been a member of the EOC following such service.)

### Cost, Forms, Criteria

- **Cost:** The cost to upgrade service credit is the difference between the total employee and employer contributions actually paid, multiplied by the gross salary received (but not less than \$1,000 per month), plus interest. The cost for upgraded service credit may be paid for using a rollover from an eligible retirement plan. Contribution rates for the EOC shown below are applied, as appropriate:
  - The contribution rates in effect at the time the service was rendered for the subclass of elected state officers' service being purchased;
  - For service before July 1, 1972, 16 percent;
  - For service on or after July 1, 1972, the total employee and employer contribution rates required for the appropriate subclass on the date of inclusion of the elective office within the EOC; or
  - For service as an elected county officer before July 1, 1981, the total employee and employer contribution rates required for the legislative subclass of the EOC.
- **Forms:** [Form FR-9](#), Information Request, including dates of service, must be completed and submitted to the division (see Page 7-40).
- **Criteria:**
  - The member must notify the division in writing of the desire to receive upgraded service credit and make required contributions (see Page 7-40); and
  - If claiming only partial service, it must be the most recent period of service.

### STATUTORY REFERENCE:

Section 121.052(5)(a)–(c), Florida Statutes

### FRS RULE REFERENCE:

Sections 60S-1.0055(1), 2.013(1), 3.013(1) and (2), Florida Administrative Code

<sup>31</sup> Service must meet criteria under Rule 60S-1.0055(1), Florida Administrative Code, to be considered within the purview of the class.

## O. EOC TERMS OF OFFICE SHORTENED

### Credit for Balance of Shortened Term of Office

An EOC member may purchase retirement credit under the FRS Pension Plan if the term of office is shortened under the following circumstances:

1. A legislator whose term of office is shortened by legislative or judicial apportionment under section 16, Article III, of the State Constitution may purchase retirement credit for the balance of the term not served due to apportionment.
2. A county commissioner whose term of office is shortened because the election at which the commissioner was elected was delayed as a result of federal intervention under the federal Voting Rights Act may purchase retirement credit for the period of time by which the term is shortened.
3. A justice or judge who is prevented under section 8, Article. V, of the State Constitution from completing a term of office because the judge has reached 70 years of age may buy retirement credit for all or a portion of the months that would have served during the remainder of the term to which elected.<sup>32</sup>

### Cost, Forms, Criteria

- **Cost:** The cost to purchase credit for shortened terms is the total contributions that would have been required for the time period being claimed, plus interest.
- **Forms:** [Form FR-9](#), Information Request, must be completed and submitted to the division (see Page 7-40).
- **Criteria:**
  - A member as described under item 1 or 2 above must notify the division in writing of the desire to receive credit for the service, outlining the circumstances and dates of the service.
  - The purchase must be made after the term of office to which the member was elected is completed (or after the date the service would have occurred).
  - The effective retirement date for a justice or judge as described under item 3 above is the first day of the month after the division receives the retirement application or the first day of the month after the last month of service being claimed, whichever is later.

### STATUTORY REFERENCE:

Section 121.052(4), Florida Statutes

### FRS RULE REFERENCE:

Sections 60S-2.017, and 3.016, Florida Administrative Code

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<sup>32</sup> A justice or judge who chooses not to run for a subsequent term of office because completing the term of office could not be completed before reaching age 70 may elect to buy service credit for the service as a temporary judge as assigned by the court if the temporary assignment immediately follows the last full term of office served and the purchase is limited to the months of service needed to vest retirement benefits.

## P. ELECTED OFFICERS OF CONSOLIDATED GOVERNMENT

### Participation in FRS by Certain Elected Officers of Consolidated Local Government

The mayor, property appraiser, tax collector, supervisor of elections, sheriff, and clerk of the court of a consolidated local government that is a chartered municipality with countywide jurisdiction may choose to participate in the FRS Elected Officers' Class (EOC) or the local retirement system (see Chapter 1, Part IV, section E). Upon electing to participate in the FRS, members can purchase prior service credit for their previous elected service not contributed on. The elected officer and the consolidated local government must pay the cost, as applicable. Credit is purchased as follows:

- **Cost:** The cost to purchase the service credit is the required employee and employer contributions that would have been paid under the FRS, plus interest. The employer must pay the EOC rate for all service on and after July 1, 1981<sup>33</sup>, and the Regular class rate for all service before that date. (The employer would pay the Special Risk Class rate for any elected sheriff who chose to participate in the Special Risk Class.) The member may upgrade any such Regular Class service to EOC value by paying the difference between applicable rates, plus interest, for the affected period.
- **Forms:** To enroll in the FRS Elected Officers' Class, an affected elected officer must complete and submit [Form EOC-1](#) to the division. To upgrade credit for service before July 1, 1981, complete and submit [Form FR-9](#), Information Request, including the dates of this service (see Page 7-40).
- **Criteria:**
  - No retirement credit is allowed under this subsection for any such service that was or could be used to obtain a benefit under any local retirement system.
  - Affected elected officials serving in office in February 2004 had until August 31, 2004, to notify the division if they wished to participate in the FRS in lieu of the local retirement system.
  - Affected elected officials of the consolidated local government not serving in office until after February 2004 must choose whether to participate in the FRS or the local retirement system within six months from the date of their election.
  - Affected elected officials of the consolidated local government serving in office before February 2004 may also choose to participate in the FRS.

Please contact the Division of Retirement with questions. You may call the division toll-free at 877-377-1266 or 850-907-6540, or email [enrollment@dms.fl.gov](mailto:enrollment@dms.fl.gov).

#### STATUTORY REFERENCE:

Section 121.052(2)(d) and (5)(d), Florida Statutes

#### FRS RULE REFERENCE:

Sections 60S-1.004(2)(k), Florida Administrative Code

<sup>33</sup> On this date, Florida law included constitutional county elected officers as compulsory members of the EOC.

## **IV. ADDRESSES FOR SUBMITTING REMITTANCES, FORMS AND AMOUNTS DUE**

Several addresses are available for making remittances to the FRS:

### **To Submit Checks**

Members using regular U.S. Mail services (for example, first class mail), overnight or express mail, or next day delivery (including certified U.S. Mail) should use the following address:

**DIVISION OF RETIREMENT  
P.O. Box 9000  
TALLAHASSEE FL 32315-9000**

### **To Submit Trustee-to-Trustee Transfers (Rollovers)**

Persons transmitting trustee-to-trustee transfers (rollovers) should use the following address:

**DEPARTMENT OF MANAGEMENT SERVICES  
FINANCIAL MANAGEMENT SERVICES  
4050 ESPLANADE WAY  
TALLAHASSEE FL 32399-0950**

All remittances sent to the above addresses must include the member's name and Social Security number.

### **To Submit Completed Forms**

Send completed forms to the Division of Retirement at:

**DIVISION OF RETIREMENT  
P.O. Box 9000  
TALLAHASSEE FL 32315-9000**

### **To Submit General Correspondence**

Submit general correspondence (other than remittances or forms) to:

**DIVISION OF RETIREMENT  
P.O. Box 9000  
TALLAHASSEE FL 32315-9000**